

# Employer Advisor

## UNEMPLOYMENT INSURANCE AND COVID-19

Throughout these unprecedented times, Unemployment Insurance serves as an important and critical source of temporary stability for Utahns experiencing job loss. The number of unemployment claims filed have been historic. At the onset of the pandemic, claims in Utah peaked at 33,000 new claims filed in one week. The previous high was 5,000 claims in 2013 during the federal government shutdown. Over the last two months, the number has remained high, consistently near 7,000 new claims each week. An encouraging sign is a consistent number of individuals ending their claim each week as economic activity rises.

Our staff met the high demand of claims with diligence and dedication. Their efforts stand out nationally as Utah was among the first states to provide many of the new federal programs supplementing unemployment benefits through the Coronavirus Aid, Relief and Economic Security (CARES) Act. An overview of these new programs is included below.

### FEDERAL PANDEMIC UNEMPLOYMENT COMPENSATION

This emergency benefit provides individuals an emergency increase in traditional unemployment insurance benefits of \$600 per week through July 25, 2020.

### PANDEMIC UNEMPLOYMENT ASSISTANCE

This emergency benefit provides up to 39 weeks of unemployment insurance benefits to individuals not otherwise eligible for regular unemployment, including the self-employed and gig workers. This benefit will expire on December 26, 2020.



**33,000**  
claims filed  
in one week  
during peak



approximately  
**7,000**  
new claims  
filed each  
week over  
the last two  
months

### PANDEMIC EMERGENCY UNEMPLOYMENT COMPENSATION

This benefit provides an additional 13 weeks of emergency unemployment insurance for those who remain unemployed after they have exhausted their traditional unemployment benefits. This program ends on December 26, 2020.



*Since March 15, over one billion dollars of unemployment benefits were paid out to assist Utahns. However, nearly 70% of these funds came from federal funding and programs. Utah's state trust fund remains solvent but is certainly being tested.*



## HOW WILL UNEMPLOYMENT CLAIMS IMPACT EMPLOYERS?

The quarterly wage reports submitted by contributory employers and any benefits paid to former or laid-off workers are reviewed to calculate that employer's unemployment tax rate for the following year. All benefit costs due to COVID-19 will be attributed to "social costs" for the calculation of employers' 2021 unemployment insurance tax rate. This means that COVID-19 related benefit costs will be shared equally by all Utah employers. Currently, social costs are .001, or \$1 for every \$1,000 of benefits paid.

Because the 2020 unemployment insurance tax rate is already fixed for the year, the soonest a contributory employer's tax rate will be impacted is calendar year 2021. The unemployment insurance tax rate for 2021 will include all benefits costs from July 1, 2019 through June 30, 2020, and three prior fiscal years.

## MANDATORY ONLINE PAY



Mandatory online pay is coming! Beginning October 1, 2020, all

Unemployment Insurance payments must be made online. Online payments increase the timely processing of your payment and reduce exposure to COVID-19 by limiting the number of employees needed to open mail. Online payments are fast and secure at [jobs.utah.gov](https://jobs.utah.gov). Visit [our website](#) to answer your questions about online payments or call (801) 526-9235 to speak to a representative.

## APPRENTICESHIPS IN UTAH SURVEY

The Department of Workforce Services is assisting the Commissioner of Apprenticeship Programs to survey Utah employers. The goal is to better understand employers' perception of apprenticeships and identify all apprenticeship programs in the state. The information will be used to provide aggregate data to the State Legislature and make recommendations to support the growth of apprenticeship programs statewide. Having accurate and complete data will assist in making informed decisions for funding, policy or tax credits to facilitate job creation and workforce development through apprenticeships.

Please take the short survey at the link below by August 15, 2020. Whether or not you are involved with apprenticeships, your feedback is incredibly valuable! Contact Melisa Stark, Commissioner of Apprenticeship Programs, at 801-628-4051 or [mstark@utah.gov](mailto:mstark@utah.gov) if you have any questions.

[Take the Apprenticeship Survey](#)

